



**Summit Credit Union**  
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August 4, 2009

The Honorable Ben S. Bernanke, Chairman  
Board of Governors of the Federal Reserve Board  
20th and C Streets, NW  
Washington, DC 20551

Re: Interim Final Rule Implementing the Credit Card Accountability Responsibility and Disclosure Act

Dear Chairman Bernanke:

On behalf Summit Credit Union, I am writing to you to respectfully request that the Board delay compliance with the 21-day notice provisions for open-end plans other than credit cards set to take effect August 20, 2009, under the Board's new interim final rule implementing the Credit Card Accountability Responsibility and Disclosure Act of 2009 (CARD Act).

As a not-for-profit financial cooperative, Summit Credit Union is proud to report that all of our credit card programs conformed to the new CARD Act of 2009 with no changes necessary. However, Summit Credit Union is facing horrendous problems as we seek to make a good faith effort to comply with the 21-day notice provisions for all open-end plans, which include general lines of credit, lines of credit associated with checking accounts, signature loans, home equity lines of credit and other types of loans permitted under open-ended lending. That provision prohibits creditors from treating payments as being late, which will mean we cannot file a credit report, must advance additional credit or may not charge a late fee even if the payment was late, unless Summit Credit Union provides a periodic statement disclosure to members 21 days before the payment due date. Summit Credit union wants to comply with all legal requirements, but these provisions have created severe implementation problems that are unprecedented and, in my humble opinion, unnecessary.

Summit Credit union differs from other financial institutions in that we provide our members with consolidated statements that combine information about all savings, checking, and loan accounts that the member has with the credit union. We know that our member/owners appreciate and generally prefer consolidated statements, as opposed to receiving multiple statements. Also, members often choose weekly or biweekly payments and designate the due dates for their payments, often to coincide with when they receive payroll deposits, all of which will need to be changed in order to comply with these provisions.

In short, to comply with the 21-day rule, credit unions, including those with multi-featured plans (one account with several sub-accounts a member may access) will be required to dismantle consolidated statement systems and other procedures, which have been in place for decades, in order to provide separate statements for each account.

This will be extremely expensive and these expenses, which will be compounded because of the imminent effective date, will have to be borne by our member/owners. We are also very concerned that it will simply be impossible to comply by August 20th, regardless of the time and funds that may be devoted to making the necessary changes. We realize there was language included in the Supplementary Information accompanying the rule that sought to provide an option to credit unions to provide a temporary disclosure insert with statements, and we appreciate the effort this represents to address our concerns. However, this option will not provide meaningful relief to credit unions seeking to comply.



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In light of these problems, it is critical that the Board use its authority under the Truth in Lending Act, as it has when implementing previous TILA amendments, to allow more time for credit unions to comply with these provisions so they are not subjected to needless legal challenges.

We respectfully request that the Board permit credit unions to continue to utilize consolidated statements by placing on each member's monthly statements the dates on which all covered payments are due in the current month and the next month; this will ensure that members receive at least 21-day notice for all open end payments. This may be the most viable option for achieving compliance for open end plans other than credit cards and could alleviate the need to dismantle credit union systems that utilize consolidated statements. However, even with this option, credit unions will still need additional time to implement the various changes to their systems that will be necessary.

We appreciate your attention to this very significant issue for Summit Credit Union and America's Credit Unions.

Sincerely,

A handwritten signature in black ink, appearing to read "Sam Whitehurst". The signature is stylized with a large, looped "S" and a cursive "Whitehurst".

Sam Whitehurst  
President and CEO

PS. It will cost Summit Credit Union around \$120,000 annually to comply with the 21-day payment notice for open-end lending and consume an unfathomable amount of paper and energy to generate statements our member/owners don't need or want!